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TO RUEHC/SECSTATE WASHDC PRIORITY 9276
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RUEHKO/AMEMBASSY TOKYO 5295
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RUEHME/AMEMBASSY MEXICO 0084
RUEHBJ/AMEMBASSY BEIJING 2137
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RUCNARF/ASEAN REGIONAL FORUM COLLECTIVE

UNCLAS SECTION 01 OF 02 SINGAPORE 000928

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USDA FAS FOR CMP/DLP, ITP/AAD
USDA FOR ACTING UNDER SECRETARY LAMBERT, APHIS/IS, FSIS

MANILA FOR APHIS
USTR FOR AUSTR BWEISEL AND EBRYAN

E.O. 12356: N/A
TAGS: [EAGR](#) [ETRD](#) [ECON](#) [SENV](#) [TBIO](#) [SN](#)

SUBJECT: Singapore To Begin Rejecting U.S. Beef Shipments

REF: A) Singapore 649 B) Hong Kong 1097

11. (U) This is an action request. Please see para 8.

12. (SBU) Singapore's Agri-Veterinary Authority (AVA) informed the Embassy and USDA/FSIS on March 22 that it would begin rejecting U.S. beef shipments that contain bone fragments for what AVA regards as non-compliance with our agreement for boneless beef exports. In a letter dated March 22 to the Ag Counselor and FSIS, Dr. Astrid Yeo, AVA Head of the Import-Export Division, said that inspectors had detected cases of U.S. beef containing soft bone tissue in all six consignments since Singapore reopened its market January 17. Dr. Yeo noted that AVA had brought previous lapses in beef export verification (BEV) compliance to USDA's attention. These included a second shipment of chilled beef with over 70 defects from a plant (Establishment 960A) that had earlier sent shipments with similar, but not as extensive, quality problems.

13. (SBU) AVA Deputy CEO Dr. Chew Siang-Thai told Ag Counselor that AVA recognized that the bone fragments did not represent a food safety problem. However, the most senior officials -- including the CEO -- and their superiors in the Ministry of National Development were "seriously concerned" that the apparent inability of packers to ensure Singapore received beef without bone fragments indicated of a lack of attention to food safety and quality control. Ag Counselor assured Dr. Chew that USDA Food Safety Inspection Service inspectors had verified that all food safety-related aspects of U.S. plant operations were compliant.

14. (SBU) Singapore announced on January 17 that it would lift its two-year ban on imports of boneless U.S. beef products from animals under 30 months of age. AVA has inspected all shipments -- the first on February 23, and five additional shipments on March 2, 15, 16, 20, and 21 (the latter two referenced in AVA's letter). AVA found some soft bone defects -- although no specified risk materials (SRMs) -- in all six initial shipments. AVA allowed the shipments into the local market, but only after first destroying all bone-in material. AVA is especially concerned about shipments of frozen beef, which will be more difficult to inspect.

15. (SBU) Singapore so far has worked closely and quietly with us to manage these quality control issues. Ag Counselor has assured AVA that, as in each identified case of non-compliance, USDA and industry have notified the plant of the quality defects and stressed the need to comply with Singapore's strict requirements. The Ambassador plans to update AVA Chairman KOH Poh Tiong on our ongoing efforts during her meeting with him on March 24 (March 23, Washington time).

16. (SBU) From USDA's and industry's point of view, the presence of soft bone or even small pieces of bone is generally considered at most a minor quality defect, one that should be addressed, but not lead to rejection of a shipment or decertification of a packer solely on this basis. Ag Counselor is working with USDA to draft a formal letter to AVA addressing this issue.

Comment and action request

17. (SBU) Our credibility as a quality exporter committed to meeting the terms of the agreement for reopening the Singapore market to U.S beef is on the line. Singapore does not regard the defects as a routine, technical matter. So far, from the Singapore perspective, we have had a 100-percent failure rate to comply with our agreement (i.e., each of the first six shipments contained bone and the "defects" are rising with each shipment). The issue of bone fragments in boneless beef was never raised during the negotiations when it might have been most easily resolved. We are concerned that a letter from USDA to AVA arguing that

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a certain amount of soft bone tissue and bone is "inevitable" in boneless cuts of beef will not allay AVA's concerns -- in Singapore's mind, we committed to provide beef with no bone product in it whatsoever. This will make it difficult to negotiate some level of allowable defects. We suggest that USDA redouble its efforts to impress upon U.S. packers the need for extremely high quality controls during the initial market-reopening phase. Once our credibility is back on a solid footing, we will be in a better position to convince Singapore not to decertify plants and, eventually, also to allow imports of bone-in cuts.

18. (U) Action requested: please provide updated talking points for the Ambassador's use in her March 24 meeting with the chairman of AVA. We will appreciate, in particular, points to address to AVA concerning its decision to reject future shipments containing bone fragments.

U.S. Beef Shipment Details

19. (SBU)

February 23 - Vacuum-packed chilled deboned beef from Establishment 960A. Of 78 cartons inspected, 6 pieces were found to contain soft bone/bone remnants.

March 2 - Air-flown frozen deboned beef from Establishment 19336. Of 37 cartons inspected, 6 pieces were found to contain soft bone/bone remnants.

March 15 - Vacuum-packed chilled deboned beef from Establishment 410. Of 146 cartons inspected, 32 pieces were found to contain soft bone/bone remnants.

March 16 - Vacuum-packed chilled deboned beef from Establishment 27. Of 105 cartons inspected, 63 pieces were found to contain soft bone/bone remnants.

March 20 - Vacuum-packed chilled deboned beef from

Establishment 960A. Of 82 cartons inspected, 73 pieces were found to contain soft bone/bone remnants.

March 21 - Vacuum-packed chilled deboned beef from Establishment 235. Of 173 cartons inspected, 107 pieces were found to contain soft bone/bone remnants.

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